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[Report No.]

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 25, 1959

Mr. MORRISON introduced the following bill; which was referred to the Committee on Post Office and Civil Service

JUNE , 1959

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Omit the part struck through and insert the part printed in italic]

A BILL

To improve the administration of overseas activities of the Government of the United States, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "Overseas Differentials
4 and Allowances Act".

5 TITLE I—PURPOSE AND DEFINITIONS

6 PART A—PURPOSE

7 SEC. 101. The Congress hereby declares that it is the
8 purpose of this Act to improve and strengthen the adminis-
9 tration of overseas activities of the Government by—

2

1 (1) providing a means for more effectively com-
2 pensating Government employees for the extra costs and
3 hardships incident to their assignments overseas,

4 (2) providing for the uniform treatment of Gov-
5 ernment employees stationed overseas to the extent
6 justified by relative conditions of employment,

7 (3) establishing the basis for the more efficient and
8 equitable administration of the laws compensating Gov-
9 ernment employees for the extra costs and hardships
10 incident to their assignments overseas, and

11 (4) facilitating for the Government the recruitment
12 and retention of the best qualified personnel for civilian
13 service overseas.

14 PART B—DEFINITIONS

15 SEC. 111. As used in this title, title II, and section
16 ~~523~~ 522 of title V, the term—

17 (1) "Government" means the Government of the
18 United States of America;

19 (2) "Government agency" means (A) each executive
20 department of the Government, (B) each independent estab-
21 lishment or agency in the executive branch of the Govern-
22 ment, including each corporation wholly owned (either di-
23 rectly or through one or more corporations) by the Govern-
24 ment, and (C) the General Accounting Office;

25 (3) "Employee" means an individual employed in the

1 civilian service of a Government agency and more specifically
2 defined in regulations prescribed by the President, but in-
3 cluding ambassadors, ministers, and officers of the Foreign
4 Service of the United States under the Department of State;

5 (4) *"United States", when used in a geographical sense,*
6 *means the several States of the United States of America and*
7 *the District of Columbia;*

8 ~~(4)~~ (5) *"Continental United States" means the several*
9 *States of the United States of America, excluding Alaska*
10 *and Hawaii but including the District of Columbia; and*

11 ~~(5)~~ *"Foreign area" means any area situated outside*
12 *the continental United States, excluding Alaska, Hawaii,*
13 *the Commonwealth of Puerto Rico, the Canal Zone, and the*
14 *possessions of the United States but including the Trust*
15 *Territory of the Pacific Islands.*

16 (6) *"Foreign area" means any area (including the*
17 *Trust Territory of the Pacific Islands) situated outside the*
18 *United States, the Commonwealth of Puerto Rico, the Canal*
19 *Zone, and the possessions of the United States.*

20 TITLE II—ALLOWANCES AND DIFFERENTIALS
21 IN FOREIGN AREAS

22 ~~PART A—SHORT TITLE AND GENERAL PROVISIONS~~

23 *PART A—GENERAL PROVISIONS*

24 SEC. 201. Notwithstanding section 1765 of the Revised
25 Statutes (5 U.S.C. 70), the allowances and differentials

1 provided by this title are authorized for and may be granted
2 only to ~~an employee stationed in a foreign area~~ — *an employee*
3 *officially stationed in a foreign area unless otherwise provided*
4 *in this title—*

5 (1) who is a citizen of the United States, and

6 (2) whose rate of basic compensation ~~(A)~~ is fixed
7 by statute ~~or (B) is fixed administratively in conformity~~
8 ~~with rates paid by the Government for work of a com-~~
9 ~~parable level of difficulty and responsibility in the con-~~
10 ~~tinental United States (without taking into consideration~~
11 ~~the allowances and differentials provided by this title)~~
12 *or, without taking into consideration the allowances and*
13 *differentials provided by this title, is fixed by adminis-*
14 *trative action pursuant to law or is fixed administratively*
15 *in conformity with rates paid by the Government for*
16 *work of a comparable level of difficulty and responsibility*
17 *in the continental United States,*

18 except that such allowances and differentials may be paid to
19 an employee *officially* stationed in a foreign area who is not
20 a citizen of the United States to the extent that the payment
21 of such allowances and differentials to such non-citizen em-
22 ployee is authorized by any provision of law other than this
23 title.

24 SEC. 202. Allowances granted under this title may be

25 paid in advance, or advance of funds may be made therefor,

1 through the proper disbursing officer in such sums as may
2 be deemed advisable in consideration of the need and the
3 period of time during which expenditures must be made in
4 advance by the employee or employees. Any advance of
5 funds not subsequently covered by allowances accrued to
6 the employee or employees under this title shall be recover-
7 able by the Government by setoff against accrued salary,
8 pay, compensation, amount of retirement credit, or other
9 amount due from the Government to such employee or
10 employees and by such other method as may be provided by
11 law for the recovery of amounts owing to the Government.

12 SEC. 203. The allowances and differentials authorized
13 by this title shall be paid in accordance with regulations
14 prescribed by the President establishing rules governing pay-
15 ments thereof and the respective rates at which such pay-
16 ments shall be made, the foreign areas, the groups of posi-
17 tions, and the categories of employees to which such rates
18 shall apply, and other related matters.

19 PART B—QUARTERS ALLOWANCES

20 SEC. 211. Whenever Government-owned or Govern-
21 ment-rented quarters are not provided without charge for
22 an employee in a foreign area, one or more of the following
23 quarters allowances may be granted to such employee where
24 applicable:

25 (1) A temporary lodging allowance for the *reason-*

1 *able* cost of temporary quarters incurred by the employee
2 and his family (A) for a period not in excess of three
3 months after first arrival at a new post of assignment in a
4 foreign area or a period ending with the occupation of resi-
5 dence quarters, whichever shall be shorter, and (B) for a
6 period of not more than one month immediately preceding
7 final departure from the post subsequent to the necessary
8 evacuation of residence quarters;

9 (2) A living quarters allowance for rent, heat, light,
10 fuel, gas, electricity, and water, without regard to the limi-
11 tations of section 3648 of the Revised Statutes, as amended
12 (31 U.S.C. 529) ; and

13 (3) Under unusual circumstances payment or reim-
14 bursement for extraordinary, necessary, and reasonable ex-
15 penses, not otherwise compensated for, incurred in initial re-
16 pairs, alterations, and improvements to an employee's
17 privately leased residence at a post of assignment in a foreign
18 area, if such expenses are administratively approved in ad-
19 vance and if the duration and terms of the lease justify
20 payment of such expenses by the Government.

21 PART C—COST-OF-LIVING ALLOWANCES

22 SEC. 221. The following cost-of-living allowances may
23 be granted, where applicable, to an employee in a foreign
24 area:

25 (1) A post allowance to offset the difference between

7

1 the cost of living at the post of assignment of the employee
2 in a foreign area and the cost of living in Washington, Dis-
3 trict of Columbia;

4 (2) A transfer allowance for extraordinary, necessary,
5 and reasonable expenses, not otherwise compensated for,
6 incurred by an employee incident to establishing himself at
7 any post of assignment in a foreign area or at a post of
8 assignment in the ~~continental~~ United States between assign-
9 ments to posts in foreign areas;

10 (3) A separate maintenance allowance to assist an em-
11 ployee who is compelled, by reason of dangerous, notably
12 unhealthful, or excessively adverse living conditions at his
13 post of assignment in a foreign area or for the convenience
14 of the Government, to meet the additional expense of main-
15 taining, elsewhere than at such post, his wife or his de-
16 pendants, or both;

17 (4) An education allowance or payment of transpor-
18 tation costs to assist an employee with the extraordinary
19 and necessary expenses, not otherwise compensated for, in-
20 curred by reason of his service in any foreign area or foreign
21 areas in providing adequate education for his dependents,
22 as follows:

23 (A) An allowance not to exceed the cost of obtain-
24 ing such elementary and secondary educational services as
25 are ordinarily provided without charge by the public schools

1 in the ~~continental~~ United States, plus, in those cases where
2 adequate schools are not available at the employee's post,
3 board and room, and periodic transportation between such
4 post and the nearest locality, where adequate schools are
5 available, without regard to the limitations of section 3648
6 of the Revised Statutes, as amended (31 U.S.C. 529); but
7 the amount of the allowance granted shall be determined on
8 the basis of the educational facility used;

9 (B) The cost of transporting dependents of an em-
10 ployee to and from a school in the United States to obtain
11 an American secondary or undergraduate college education,
12 not to exceed one trip each way for each dependent for the
13 purpose of obtaining each type of education; but no allow-
14 ance payments under subparagraph (A) of this paragraph
15 (4) shall be made for any dependent during the twelve
16 months following his arrival in the United States for sec-
17 ondary education pursuant to authority contained in this
18 subparagraph (B). Notwithstanding section ~~111(5)~~ 111(6)
19 of this Act, transportation, for the purpose of obtaining un-
20 dergraduate college education, may be authorized under this
21 subparagraph (B), under such regulations as the President
22 may prescribe, for dependents of employees who are citizens
23 of the United States stationed in the Canal Zone.

PART D—POST DIFFERENTIAL

SEC. 231. A post differential may be granted on the basis of conditions of environment which differ substantially from conditions of environment in the continental United States and warrant additional compensation as a recruitment and retention incentive. *Such differential also may be granted to any employee who is officially stationed in the United States and who is on extended detail in a foreign area.* Additional compensation paid as a post differential shall not in any instance exceed 25 per centum of the rate of basic compensation.

TITLE III—MISCELLANEOUS EXPENSES

PART A—REPRESENTATION EXPENSES

SEC. 301. The Administrative Expenses Act of 1946 (60 Stat. 806), as amended, is amended by adding at the end thereof the following new section:

“SEC. 22. Under such regulations as the President may prescribe, funds available to the departments for administrative expenses may be allotted to posts in foreign countries and to resident missions to international organizations for representation purposes in the promotion of official policies and programs.”

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PART B—STORAGE

1
2 SEC. 311. (a) Paragraphs (4) and (5) of section 911
3 of the Foreign Service Act of 1946 (22 U.S.C. 1136 (4)
4 and (5)) are amended to read as follows:

5 “(4) the cost of packing and unpacking, transport-
6 ing to and from a place of storage, and storing the
7 furniture and household and personal effects of an officer
8 or employee of the Service, when he is absent from his
9 post of assignment under orders, or when he is as-
10 signed to a post to which he cannot take or at which
11 he is unable to use such furniture and household and
12 personal effects, or when it is in the public interest or
13 more economical to authorize storage; but in no instance
14 shall the weight or volume of the effects stored together
15 with the weight or volume of the effects transported
16 exceed the maximum limitations fixed by regulations,
17 when not otherwise fixed by law;

18 “(5) the cost of packing and unpacking, transport-
19 ing to and from a place of storage, and storing the
20 furniture and household and personal effects of an officer
21 or employee of the Service stationed overseas, the cost
22 ment or transfer to a new post, from the date of his
23 departure from his last post or from the date of his
24 departure from his place of residence in the case of a

25 new officer or employee and for not to exceed three
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1 months after arrival at the new post, or until the
2 establishment of residence quarters, whichever shall be
3 shorter; and in connection with separation of an officer
4 or employee of the Service ~~stationed overseas~~, the cost
5 of packing and unpacking, transporting to and from a
6 place of storage, and storing for a period not to exceed
7 three months, his furniture and household and personal
8 ~~effects transported at Government expense.~~ *effects;*
9 *but in no instance shall the weight or volume of the ef-*
10 *fects stored together with the weight or volume of the*
11 *effects transported exceed the maximum limitations fixed*
12 *by regulations, when not otherwise fixed by law."*

13 (b) ~~Section 4(a)(1) (D) and (E) Paragraphs (1)~~
14 *(D) and (E) of section 4 of the Central Intelligence*
15 *Agency Act of 1949 (63 Stat. 209, 72 Stat. 337; 50 U.S.C.*
16 *403e (a) (1) (D) and (E)) are amended to read as fol-*
17 *lows:*

18 " (D) pay the cost of packing and unpacking,
19 transporting to and from a place of storage, and storing
20 the furniture and household and personal effects of an
21 officer or employee of the Agency, when he is absent
22 from his post of assignment under orders, or when he is
23 assigned to a post to which he cannot take or at which
24 he is unable to use such furniture and household and
25 personal effects, or when it is in the public interest or

1 more economical to authorize storage; but in no instance
2 shall the weight or volume of the effects stored together
3 with the weight or volume of the effects transported
4 exceed the maximum limitations fixed by regulations,
5 when not otherwise fixed by law;

6 “(E) pay the cost of packing and unpacking, trans-
7 porting to and from a place of storage, and storing the
8 furniture and household and personal effects of an officer
9 or employee of the Agency in connection with assign-
10 ment or transfer to a new post, from the date of his de-
11 parture from his last post or from the date of his de-
12 parture from his place of residence in the case of a
13 new officer or employee and for not to exceed three
14 months after arrival at the new post, or until the es-
15 tablishment of residence quarters, whichever shall be
16 shorter; and in connection with separation of an officer
17 or employee of the Agency stationed overseas, the cost
18 of packing and unpacking, transporting to and from a
19 place of storage, and storing for a period not to exceed
20 three months, his furniture and household and personal
21 effects transported at Government expense.” effects; but
22 in no instance shall the weight or volume of the effects
23 stored together with the weight or volume of the effects
24 transported exceed the maximum limitations fixed by regu-
25 lations, when not otherwise fixed by law.”

1 ~~(e)~~ The first section of the Administrative Expenses
2 Act of 1946 ~~(60 Stat. 806)~~, as amended ~~(5 U.S.C. 73b-1)~~,
3 is amended by adding at the end thereof the following new
4 subsection:

5 (c) *The first section of the Administrative Expenses Act*
6 *of 1946 (60 Stat. 806), as amended (5 U.S.C. 73b-1), is*
7 *amended—*

8 (1) *by striking out “(not to exceed seven thousand*
9 *pounds if uncrated or eight thousand seven hundred and*
10 *fifty pounds if crated or the equivalent thereof when*
11 *transportation charges are based on cubic measurement)”*
12 *in subsection (a) of such section and inserting in lieu*
13 *thereof “(not to exceed seven thousand pounds net*
14 *weight)”*; and

15 (2) *by adding at the end of such section the follow-*
16 *ing new subsection:*

17 “(c) Whenever any civilian officer or employee (in-
18 cluding any new appointee in accordance with section 7 of
19 this Act) is assigned to a permanent duty station outside the
20 continental United States to which he cannot take or at
21 which he is unable to use his household goods and personal
22 effects or whenever the head of the department concerned
23 authorizes storage of any such property in the public interest
24 or for reasons of economy, storage expenses (including re-
25 lated transportation and other expenses) may be allowed

1 such officer or employee in accordance with regulations pre-
2 scribed by the President; but in no instance shall the weight
3 of the property stored under this subsection, together with
4 the weight of property transported under subsection (a), ex-
5 ceed the maximum weight limitation provided by subsection
6 (a)."

7 (d) The term "furniture and household and personal
8 effects", as used in the amendments made by this part to
9 the Foreign Service Act of 1946, as amended, and the Cen-
10 tral Intelligence Agency Act of 1949, as amended, and the
11 term "household goods and personal effects", as used in the
12 amendments made by this part to the Administrative Ex-
13 penses Act of 1946, as amended, mean such personal prop-
14 erty of an employee and the dependents of such employee
15 as the Secretary of State and the Director of Central Intelli-
16 gence, as the case may be, with respect to the term "furni-
17 ture and household and personal effects", and the President,
18 with respect to the term "household goods and personal
19 effects", shall by regulation authorize to be transported or
20 stored under the amendments made by this part to such Acts
21 (including, *in emergencies*, motor vehicles authorized to be
22 shipped at Government expense). *Such motor vehicles shall*
23 *be excluded from the weight and volume limitations prescribed*
24 *by the laws set forth in this part.*

1 PART C—OFFICIAL RESIDENCE EXPENSES

2 SEC. 321. (a) The Administrative Expenses Act of
3 1946 (60 Stat. 806), as amended, is amended by adding
4 thereto, immediately following the new section 22 added to
5 such Act by section 301 of this Act, the following new
6 section:

7 “SEC. 23. Under such regulations as the President may
8 prescribe, funds available to the departments for admin-
9 istrative expenses may be allotted to posts in foreign coun-
10 tries for the purpose of defraying the unusual expenses inci-
11 dent to the operation and maintenance of official residences
12 suitable for the chief representatives of the United States at
13 such posts and such other senior officials of this Government
14 in foreign countries as the President may designate.”

15 (b) Section 8 of the United Nations Participation Act
16 of 1945, as amended (22 U.S.C. 287c), is amended by
17 striking out “and the allotment of funds, similar to the
18 allotment authorized by section 902 of the Foreign Service
19 Act of 1946, for unusual expenses incident to the operation
20 and maintenance of such living quarters, to be accounted for
21 in accordance with section 903 of said Act; and such other
22 expenses as may be authorized by the Secretary of State;
23 all without regard to section 3709 of the Revised Statutes,
24 as amended (41 U.S.C. 5)” and inserting in lieu thereof

1 “and unusual expenses similar to those authorized by sec-
2 tion 23 of the Administrative Expenses Act of 1946, as
3 amended by section 321 of the Overseas Differentials and
4 Allowances Act, incident to the operation and maintenance
5 of such living quarters, and such other expenses as may be
6 authorized by the Secretary of State; all without regard to
7 section 3709 of the Revised Statutes, as amended (41
8 U.S.C. 5) ”.

9 PART D—TRANSPORTATION OF MOTOR VEHICLES

10 SEC. 331. The first section of the Administrative Ex-
11 penses Act of 1946 (60 Stat. 806), as amended (5 U.S.C.
12 73b-1), is amended by adding thereto, immediately follow-
13 ing the new subsection (e) added to such first section by
14 section 311(c) of this Act, the following new subsection:

15 “(f) Under such regulations as the President may pre-
16 scribe, the privately owned motor vehicle of any employee
17 (including any new appointee, in accordance with section
18 7 of this Act) assigned to a post of duty outside the conti-
19 nental United States on other than temporary duty orders
20 may be transported to, from, and between the continental
21 United States and such post of duty, or between posts of
22 duty outside the continental United States, whenever it is
23 determined by the head of the department concerned to be
24 in the interest of the Government for such employee to have
25 the use of a motor vehicle at his post of duty. Not more

1 than one motor vehicle of any employee may be transported
2 under authority of this subsection during any four-year pe-
3 riod, except that, as a replacement for such motor vehicle,
4 one additional motor vehicle of any employee may be so
5 transported during such period upon approval, in advance,
6 by the head of the department concerned and upon a deter-
7 mination, in advance, by such department head that such
8 replacement is necessary for reasons beyond the control of
9 the employee and is in the interest of the Government. After
10 the expiration of *a period of* four years following the date
11 of transportation under authority of this subsection of a
12 privately owned motor vehicle of any employee who has
13 remained in continuous service outside the continental United
14 States *during such period*, the transportation of a replace-
15 ment for such motor vehicle for such employee may be
16 authorized, in accordance with this subsection, by the head of
17 the department concerned. The head of each department
18 may, in accordance with this subsection, authorize the trans-
19 portation of privately owned motor vehicles of employees
20 of such department, assigned to duty outside the continental
21 United States, by commercial means if available at reason-
22 able rates and under reasonable conditions or by Government
23 means on a space-available basis. This subsection shall
24 not apply to the Foreign Service of the United States under

1 the Department of State and to the Central Intelligence
2 Agency but shall not affect the authority contained in sec-
3 tion 913 of the Foreign Service Act of 1946 (60 Stat.
4 1027; 22 U.S.C. 1138) or section 4(a)(4) paragraph (4)
5 of section 4 of the Central Intelligence Agency Act of 1949
6 (63 Stat. 210, 72 Stat. 337; 50 U.S.C. 403e (a) (4)).”

7 SEC. 332. Section 913 of the Foreign Service Act of
8 1946 (60 Stat. 1027; 22 U.S.C. 1133) is amended to read
9 as follows:

10 “TRANSPORTATION OF MOTOR VEHICLES

11 “SEC. 913. The Secretary may, notwithstanding the
12 provisions of any other law, transport for or on behalf of an
13 officer or employee of the Service, a privately owned motor
14 vehicle, or replacement thereof, in vehicle in any case in
15 which he shall determine that water, rail, or air transporta-
16 tion of the motor vehicle, or replacement thereof, is vehicle is
17 necessary or expedient for all or any part of the distance be-
18 tween points of origin and destination.” destination. Not
19 more than one motor vehicle of any such officer or employee
20 may be transported under authority of this section during
21 any four-year period, except that, as a replacement for such
22 motor vehicle, one additional motor vehicle of any such
23 officer or employee may be so transported during such period
24 upon approval, in advance, by the Secretary and upon a
25 determination, in advance, by the Secretary that such re-

1 *placement is necessary for reasons beyond the control of the*
2 *officer or employee and is in the interest of the Government.*
3 *After the expiration of a period of four years following the*
4 *date of transportation under authority of this section of*
5 *a privately owned motor vehicle of any officer or employee who*
6 *has remained in continuous service outside the continental*
7 *United States (excluding Alaska and Hawaii) during such*
8 *period, the transportation of a replacement for such motor*
9 *vehicle for such officer or employee may be authorized by the*
10 *Secretary in accordance with this section."*

11 ~~SEC. 333.~~ ~~Section 4(a)(4) of the Central Intelligence~~
12 ~~Agency Act of 1949, as amended (63 Stat. 210, 72 Stat.~~
13 ~~337; 50 U.S.C. 403e(a)(4), is amended to read as follows:~~

14 *SEC. 333. (a) That part of section 4(a) of the Cen-*
15 *tral Intelligence Agency Act of 1949, as amended (63 Stat.*
16 *209, 73 Stat. 337; 50 U.S.C. 403e), which precedes para-*
17 *graph (1) thereof, is amended—*

18 *(1) by striking out "(a)"; and*

19 *(2) by striking out "permanent-duty stations out-*
20 *side the continental United States, its territories, and*
21 *possessions," and inserting in lieu thereof "duty stations*
22 *outside the several States of the United States of Amer-*
23 *ica, excluding Alaska and Hawaii, but including the*
24 *District of Columbia,".*

25 *(b) Paragraph (4) of section 4 of the Central Intelli-*

11 *gency Agency Act of 1949, as amended (63 Stat. 210, 73*
12 *Stat. 337; 50 U.S.C. 403e(a)(4)), is amended to read as*
13 *follows:*

14 *“(4) Notwithstanding the provisions of any other*
15 *law, transport for or on behalf of an officer or employee*
16 *of the Agency, a privately owned motor vehicle, or*
17 *replacement thereof, in vehicle in any case in which it*
18 *shall be determined that water, rail, or air transportation*
19 *of the motor vehicle, or replacement thereof, is vehicle is*
20 *necessary or expedient for all or any part of the distance*
21 *between points of origin and destination, and pay the*
22 *costs of such transportation.” transportation. Not more*
23 *than one motor vehicle of any officer or employee of the*
24 *Agency may be transported under authority of this para-*
25 *graph during any four-year period, except that, as a*
replacement for such motor vehicle, one additional motor
vehicle of any such officer or employee may be so trans-
ported during such period upon approval, in advance,
by the Director and upon a determination, in advance,
by the Director that such replacement is necessary for
reasons beyond the control of the officer or employee
and is in the interest of the Government. After the
expiration of a period of four years following the date
of transportation under authority of this paragraph of
a privately owned motor vehicle of any officer or em-

1 *ployee who has remained in continuous service outside*
 2 *the several States of the United States of America, ex-*
 3 *cluding Alaska and Hawaii, but including the Dis-*
 4 *trict of Columbia, during such period, the transportation*
 5 *of a replacement for such motor vehicle for such officer*
 6 *or employee may be authorized by the Director in accord-*
 7 *ance with this paragraph."*

8 **TITLE IV—AMENDMENTS TO ANNUAL AND SICK**
 9 **LEAVE ACT OF 1951**

10 SEC. 401. Subsections (d), (e), and (f) of section 203
 11 of the Annual and Sick Leave Act of 1951, as amended
 12 (5 U.S.C. 2062 (d), (e), and (f)), are amended to
 13 read as follows:

14 “(d) Notwithstanding the provisions of subsection (c),
 15 a maximum accumulation not to exceed forty-five days at
 16 the beginning of the first complete biweekly pay period, or
 17 corresponding pay period in the case of an officer or employee
 18 who is not paid on the basis of biweekly pay periods, in
 19 any year is authorized for the following categories of em-
 20 ployees of the Federal Government stationed outside the
 21 continental United States:

22 “(1) Persons directly recruited or transferred by the
 23 Federal Government (A) from the continental United
 24 States, or (B) from Hawaii, the Commonwealth of
 25 Puerto Rico, or the Commonwealth of Puerto Rico or the

1 possessions of the United States for employment outside the
2 area of recruitment or from which transferred.

3 “(2) Persons employed locally but (A) (i) who were
4 originally recruited from the ~~continental~~ United States, or
5 from ~~Hawaii, the Commonwealth of Puerto Rico, or the~~
6 *Commonwealth of Puerto Rico* or the possessions of the
7 United States but outside the area of employment, (ii) who
8 have been in substantially continuous employment by other
9 Federal agencies, United States firms, interests or organiza-
10 tions, international organizations in which the United States
11 Government participates, or foreign governments, and (iii)
12 whose conditions of employment provide for their return
13 transportation to the ~~continental~~ United States or ~~Hawaii,~~
14 ~~the Commonwealth of Puerto Rico, or the Commonwealth~~
15 ~~of Puerto Rico~~ or the possessions of the United States, or
16 (B) (i) who were at the time of employment temporarily
17 absent, for the purpose of travel or formal study, from the
18 ~~continental~~ United States, or from their respective places of
19 residence in ~~Hawaii, the Commonwealth of Puerto Rico, or~~
20 ~~the Commonwealth of Puerto Rico~~ or the possessions of the
21 United States and (ii) who, during such temporary absence,
22 have maintained residence in the ~~continental~~ United States
23 or in ~~Hawaii, the Commonwealth of Puerto Rico, or the~~
24 *Commonwealth of Puerto Rico* or the possessions of the
25 United States but outside the area of employment.

1 “(3) Persons who are not normally residents of the
2 area concerned and who are discharged from service in the
3 Armed Forces of the United States to accept employment
4 with an agency of the Federal Government.

5 “(e) The leave granted pursuant to this title shall be
6 exclusive of the time actually and necessarily occupied in
7 going to and from the post of duty and exclusive of such
8 time as may be necessarily occupied in awaiting transporta-
9 tion, in the case of an officer or employee (1) who is within
10 the purview of subsection (d) of this section, (2) whose
11 post of duty is outside the ~~continental~~ United States, and (3)
12 who returns on leave to the ~~continental~~ United States, or
13 to his place of residence, which is outside the area of em-
14 ployment, in ~~Hawaii, the Commonwealth of Puerto Rico,~~
15 ~~or the Commonwealth of Puerto Rico~~ or the possessions of
16 the United States. The provisions of this subsection shall
17 not apply to more than one period of leave in a prescribed
18 tour of duty at a post outside the ~~continental~~ United States.

19 “(f) Upon completion of twenty-four months of con-
20 tinuous service outside the ~~continental~~ United States, officers
21 and employees may be granted, in accordance with regula-
22 tions of the President, leave of absence at a rate not to exceed
23 one week for each four months of such service without re-
24 gard to any other leave provided by this title, for use in the
25 ~~continental~~ United States, or, if their respective places of

1 residence are outside the area of employment, in ~~Hawaii,~~
2 ~~the Commonwealth of Puerto Rico, or the Commonwealth of~~
3 ~~Puerto Rico~~ or the possessions of the United States. Such
4 leave so granted may be accumulated for future use without
5 regard to the limitation in subsection (d) of this section but
6 no such leave shall be made the basis for any terminal leave
7 or for any lump-sum payment."

8 SEC. 402. (a) Section 202(b)(2) of the Annual and
9 Sick Leave Act of 1951, as amended (5 U.S.C. 2061(b)
10 (2)), is amended to read as follows:

11 "(2) This title, except section 202(g), shall not apply
12 to alien employees who occupy positions outside the con-
13 tinental United States."

14 ~~(b) Section 202(e)(2) of such Act, as amended~~
15 ~~(5 U.S.C. 2061(e)(2))~~, is amended to read as follows:

16 ~~"(2) The President, in his discretion, may authorize~~
17 ~~leaves of absence to persons who are exempted from this~~
18 ~~title pursuant to subsection (e)(1)(B) for use in the con-~~
19 ~~tinental United States and in Hawaii, the Commonwealth~~
20 ~~of Puerto Rico, and the possessions of the United States.~~
21 ~~Leaves of absence authorized under this paragraph shall not~~
22 ~~constitute a leave system and no such leave of absence shall~~
23 ~~be made the basis for any lump-sum payment."~~

24 (b) Section 203(g) of such Act, as amended (5 U.S.C.
25 2062(g)), is amended by striking out "the several States and

1 *the District of Columbia*” and inserting in lieu thereof “*the*
2 *United States*”.

3 (c) Section 202 of such Act, as amended (5 U.S.C.
4 2061), is amended by adding at the end of such section
5 the following new subsection:

6 “(d) As used in this title, the ~~term ‘continental United~~
7 ~~States’ means~~ *term ‘United States’ means* the several States
8 of the United States of America ~~(including Alaska)~~ and the
9 District of Columbia.”

10 SEC. 403. The amendments made by this title to the
11 Annual and Sick Leave Act of 1951, as amended, shall take
12 effect on the first day of the first pay period following the
13 date of enactment of this Act.

14 TITLE V—APPROPRIATION, REPEAL, *AMENDA-*
15 *TORY*, AND MISCELLANEOUS PROVISIONS

16 PART A—APPROPRIATION PROVISIONS

17 SEC. 501. (a) There are hereby authorized to be ap-
18 propriated such sums as may be necessary to carry out the
19 purposes of this Act and the amendments made thereby.

20 (b) Appropriations or funds otherwise available, for
21 the fiscal year ending June 30, 1960, to any department,
22 agency, establishment or corporation of the Government of
23 the United States of America within the purview of this
24 Act or of any amendment made thereby are hereby made
25 available for the purposes of this Act and of any such

1 amendment in accordance with the authority contained in
2 this Act or contained in any law amended by this Act and
3 in accordance with such regulations as the President may
4 prescribe.

5 ~~PART B—REPEAL PROVISIONS~~

6 ~~SEC. 511. (a)~~ The following provisions of law are
7 repealed:

8 ~~(1)~~ That part of the Act entitled "An Act to provide
9 living quarters, including heat, fuel, and light, for civilian
10 officers and employees of the Government stationed in
11 foreign countries", approved June 26, 1930 (46 Stat. 818;
12 Public Law 445, Seventy-first Congress; 5 U.S.C. 118a),
13 which reads "and, where such quarters are not available, may
14 be granted an allowance for living quarters, including heat,
15 fuel, and light, notwithstanding the provisions of section
16 1765 of the Revised Statutes (U.S.C., title 5, sec. 70)";

17 ~~(2)~~ That part of the first proviso of such Act of June
18 26, 1930, which reads "or allowances in lieu thereof"; and

19 ~~(3)~~ Sections 443, 901, 902, 903, and 911(9) of the
20 Foreign Service Act of 1946, as amended (60 Stat. 1006,
21 1025, and 1026; 60 Stat. 27; 22 U.S.C. 888, 1131, 1132,
22 1133, and 1136 (9)); and

23 ~~(4)~~ Sections 2(b), 13, and 14 of the Act entitled "An
24 Act to provide certain basic authority for the Department
25 of State", approved August 1, 1956 (70 Stat. 890, 892;

1 ~~Public Law 885, Eighty-fourth Congress; 5 U.S.C. 170g(b),~~
2 ~~170r, and 170s).~~

3 (b) Any provision of law which is not repealed by sub-
4 section (a) of this section but is inconsistent with any pro-
5 vision of this Act or of any amendment made thereby shall
6 be held and considered to be amended, modified, or super-
7 seded to the extent necessary to carry out the purposes of
8 and conform to such provision of this Act or of such amend-
9 ment.

10 *PART B—REPEAL AND AMENDATORY PROVISIONS*

11 *SEC. 511. (a) The following provisions of law are hereby*
12 *repealed:*

13 (1) Sections 443, 901, 902, 903, and 911(9) of the
14 Foreign Service Act of 1946, as amended (60 Stat. 1006,
15 1025, and 1026; 69 Stat. 27; 22 U.S.C. 888, 1131, 1132,
16 1133, and 1136(9));

17 (2) Sections 2(b), 13, and 14 of the Act entitled "An
18 Act to provide certain basic authority for the Department
19 of State", approved August 1, 1956 (70 Stat. 890, 892;
20 Public Law 885, Eighty-fourth Congress; 5 U.S.C.
21 170g(b), 170r, and 170s); and

22 (3) Sections 1(d) and 4 (b) of the Central Intelligence
23 Agency Act of 1949, as amended (63 Stat. 208 and 211;
24 50 U.S.C. 403a(d) and 403e(b)).

25 (b) Any provision of law which is not repealed by sub-

1 *section (a) of this section but is inconsistent with any pro-*
2 *vision of this Act or of any amendment made by this Act*
3 *shall be held and considered to be amended, modified, or su-*
4 *perseded to the extent necessary to carry out the purposes of*
5 *and conform to such provision of this Act or of such amend-*
6 *ment.*

7 *(c) (1) Section 1(c) of the Central Intelligence Agency*
8 *Act of 1949 (63 Stat. 208; 50 U.S.C. 403a(c)) is amended*
9 *by striking out "Government; and" and inserting in lieu*
10 *thereof "Government."*

11 *(2) Paragraph (1)(A) of section 4 of the Central*
12 *Intelligence Agency Act of 1949, as amended (63 Stat. 209;*
13 *72 Stat. 337; 50 U.S.C. 403e(a)(1)(A)), is amended to*
14 *read as follows:*

15 *"(1)(A) pay the travel expenses of officers and*
16 *employees of the Agency, including expenses incurred*
17 *while traveling pursuant to authorized home leave;"*

18 *(3) Paragraph (3)(A) of section 4 of such Act*
19 *(63 Stat. 209 and 210; 72 Stat. 337; 50 U.S.C.*
20 *403e(a)(3)(A)) is amended to read as follows:*

21 *"(3) (A) Order to any of the several States of the*
22 *United States of America (including the District of*
23 *Columbia, the Commonwealth of Puerto Rico, and any*
24 *territory or possession of the United States) on leave*
25 *of absence each officer or employee of the Agency who*

1 *was a resident of the United States (as described above)*
2 *at time of employment, upon completion of two years'*
3 *continuous service abroad, or as soon as possible there-*
4 *after."*

5 *(4) Paragraph (3) (B) of section 4 of such Act (63*
6 *Stat. 210; 72 Stat. 337; 50 U.S.C. 403e(a) (3) (B)) is*
7 *amended to read as follows:*

8 *"(B) While in the United States (as described in*
9 *paragraph (3) (A) of this section) on leave, the service*
10 *of any officer or employee shall be available for work or*
11 *duties in the Agency or elsewhere as the Director may*
12 *prescribe; and the time of such work or duty shall not be*
13 *counted as leave."*

14 *(5) Paragraph 3 (C) of section 4 of such Act (63 Stat.*
15 *210; 72 Stat. 337; 50 U.S.C. 403e(a) (3) (C)) is amended*
16 *to read as follows:*

17 *"(C) Where an officer or employee on leave returns*
18 *to the United States (as described in paragraph (3) (A)*
19 *of this section), leave of absence granted shall be ex-*
20 *clusive of the time actually and necessarily occupied in*
21 *going to and from the United States (as so described)*
22 *and such time as may be necessarily occupied in awaiting*
23 *transportation."*

24 *(6) The Act entitled "An Act to provide living quarters,*
25 *including heat, fuel, and light, for civilian officers and em-*

1 *ployees of the Government stationed in foreign countries*”,
2 *approved June 26, 1930 (46 Stat. 818; Public Law 445,*
3 *Seventy-first Congress; 5 U.S.C. 118a), is amended—*

4 *(A) by striking out “and, where such quarters are*
5 *not available, may be granted an allowance for living*
6 *quarters, including heat, fuel, and light, notwithstanding*
7 *the provisions of section 1765 of the Revised Statutes*
8 *(U.S.C., title 5, sec. 70)” ; and*

9 *(B) by striking out that part of the first proviso of*
10 *such Act of June 26, 1930, which reads “or allowances*
11 *in lieu thereof”.*

12 **PART C—MISCELLANEOUS PROVISIONS**

13 **SEC. 521.** ~~The repeal, modification, amendment, or~~
14 ~~superseding, by reason of section 511 of this Act, of any~~
15 ~~provision of law shall not affect any act done or right ac-~~
16 ~~cruing or accrued, any liability, or any action, suit, or pro-~~
17 ~~ceeding had or commenced in any civil cause, before such~~
18 ~~repeal, modification, amendment, or superseding; but all~~
19 ~~such rights and liabilities, under any provision of law so~~
20 ~~repealed, modified, amended, or superseded, shall continue~~
21 ~~and may be enforced in the same manner as if such repeal,~~
22 ~~modification, amendment, or superseding had not occurred.~~

1 SEC. ~~522~~ 521. Whenever reference is made in any other
2 law or in any regulation to any provision of law which is re-
3 pealed, modified, amended, or superseded by reason of sec-
4 tion 511 of this Act, such reference, unless inconsistent
5 with this Act, shall be held and considered to refer to this
6 Act or the appropriate provision of, or amendment made by,
7 this Act.

8 SEC. ~~523~~ 522. Notwithstanding any provision of this
9 Act and until such time as regulations are issued under this
10 Act, employees shall continue to be paid allowances and dif-
11 ferentials in accordance with rules and regulations issued pur-
12 suant to the laws in effect immediately prior to the enactment
13 of this Act and such rules and regulations may be amended
14 or revoked in accordance with the provisions of such laws.

15 SEC. ~~524~~ 523. (a) Section 912 of the Internal Revenue
16 Code of 1954 (relating to exemption for certain allowances)
17 is amended to read as follows:

18 **"SEC. 912. EXEMPTIONS FOR CERTAIN ALLOWANCES.**

19 "The following items shall not be included in gross in-
20 come, and shall be exempt from taxation under this subtitle:

21 "(1) FOREIGN AREAS ALLOWANCE.—In the case
22 of civilian officers and employees of the United States

1 Government, amounts received as allowances or other-
2 wise (but not amounts received as differentials) under
3 the provisions of titles II and III of the Overseas Dif-
4 ferentials and Allowances ~~Act or Act~~, title IX of the
5 Foreign Service Act of 1946, as ~~amended~~ *amended*, or
6 *section 4 of the Central Intelligence Agency Act of*
7 *1949, as amended.*

8 “(2) COST-OF-LIVING ALLOWANCES.—In the case
9 of civilian officers or employees of the Government of
10 the United States stationed outside continental United
11 States, amounts (other than amounts received under the
12 provisions of titles II and III of the Overseas Differen-
13 tials and Allowances Act or title IX of the Foreign
14 Service Act of 1946, as amended) received as cost-of-
15 living allowances in accordance with regulations ap-
16 proved by the ~~President.~~ *President.*

17 “(3) EXPENSES OF TRAVEL AND TRANSPORTA-
18 TION.—In the case of civilian officers and employees of the
19 United States Government, amounts received as expenses
20 of travel and transportation, or costs of transportation
21 provided in lieu thereof, from posts of duty outside the
22 continental United States, to and from their respective
23 places of residence, authorized by section 7 of the Ad-
24 ministrative Expenses Act of 1946 (60 Stat. 806), as
25 amended (5 U.S.C. 73b-3).”

1 *(b) Section 912(3) of the Internal Revenue Code of*
2 *1954, as contained in the amendment made by subsection (a)*
3 *of this section, shall apply only with respect to taxable years*
4 *beginning after December 31, 1958, and ending after the*
5 *date of enactment of this Act.*

[COMMITTEE PRINT]

JUNE 10, 1959

Union Calendar No.

86TH CONGRESS
1ST SESSION

H. R. 5007

[Report No.]

A BILL

To improve the administration of overseas activities of the Government of the United States, and for other purposes.

By Mr. MORRISON

FEBRUARY 25, 1959

Referred to the Committee on Post Office and Civil Service

JUNE , 1959

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed